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The Mayor Visits the Mines

Drummond Ltd's Mining Operations Awarded OHSAS 18001:2007

Drummond Ltd. obtained OHSAS 18001:2007 certification granted by the Lloyd's Register (LRQA) international classification society and risk analysis organization as a result of the various risk control efforts applied to occupational safety and health in its mining operations. After a series of audits, LRQA was able to verify high safety standards and compliance with the requirements of this standard.



This achievement is the result of the work Drummond Ltd. has been carrying out with the aim of certifying its Occupational Safety and Health Management System, including guaranteeing that safe practices are implemented in all operations, identifying and analyzing potential hazards, assessing risks and optimizing the safety strategies and programs.

"We started with our industrial safety and occupational health programs as a baseline and then we structured the information in order to comply with the guidelines required by the OHSAS standard," said Oscar Vega, Drummond Ltd.'s Industrial Safety Manager.

During preparation and application of the standard the company focused on three principal activities:

- 1. Familiarization with and training on the OHSAS 18001 standard
- 2. Preparation and structuring of the documentation in order to meet the guidelines required by the standard and compilation of information
- 3. Direct participation of all of the areas and departments of the company, including project "sponsors" for each area

The next step was training the internal auditors. "These internal auditors are company employees who carry out industrial safety and occupational health audits inside the organization," said Vega. This is a necessary step to comply with the standard's internal audit requirement. Continued on page 2



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Drummond Ltd's Mining Operations Awarded OHSAS 18001:2007

After the internal audits were carried out, Lloyd's Register Quality Assurance Limited was called on to carry out an independent audit. As a result of that audit, Lloyd's issued a positive recommendation for Drummond to receive OHSAS 18001 certification.

"Employee safety has always been our priority. We are proud to have undergone the audits with a satisfactory result and proud of the certificate that we have now received. Our employees have made an arduous effort to meet this objective and to implement a world-class program that will help us to continue increasing and improving the safety of each of our employees," said Richard Mullen, Executive Vice-president for Mining of Drummond Company, Inc.

With the participation of various areas of the company and the support of contractor companies, who also contributed to meeting the objective, it was possible to optimize diverse processes and standardize them in the framework of an OHSAS 18001 OHSMS.

Also, the applicable regulations, standards and legal requirements (OSHA, MSHA, NPFA, Colombian legislation) were taken on the basis for regulating each procedure, which permitted an optimal and viable process with the mission of being sustainable with the effort of the entire team that contributed to making certification a reality.

Thus, Drummond Ltd. works to optimize the safety of its operations, while at the same time recognizing the commitment and dedication of an entire team that supports this process every day.

"This is a very important achievement of our employees. The OHSAS 18001 certificate sends to all of our interest groups a strong message that our company is committed to the needs of our employees and guarantees the health and wellbeing to each of them," said Terry Whitt, Vice-President for Human Resources of Drummond Company, Inc.



Industrial safety is our lifestyle!



Safety

The Most Modern Mining Administration System



Drummond works safely! That's why Jimmy Martinez, Dispatch area supervisor, and his personnel follow-up and monitor the equipment, checking to make sure everything is done efficiently.

The Dispatch Department, also called the "brains of the operation," has a full-scale fleet management system that uses state-of-the-art hardware and data communication software to automatically optimize assignment of the trucks at the Pribbenow and El Descanso mines.

The Dispatch system is a means for preventing accidents, responding to them, and providing information about them. It is also a means for fomenting a culture of safety.

The goal of Dispatch is the maximum optimization of the use of the trucks. That's why supervisors require effective, clear, and concise two-way communication. The Dispatch team understands the truck operators, and raises awareness using the system thanks to the way they handle communications. Before beginning a shift, they welcome the employees and use this channel to give safety talks. If an incident occurs, the situation is described to them with the goal of learning from mistakes.

"In addition, they also participate in talks to develop a culture of safety. We want them to internalize this information, so that it helps them not only on the job, but also in their daily lives. Communication is constant. In the case of an emergency or problem that could distract them, they get in touch with us so they have our support, thus increasing the safety of the operation," expressed Jimmy Martinez, Dispatch Supervisor, referring to the employees connected through this system.

Industrial safety is our lifestyle!



Safety

New Systems Strengthen Industrial Safety



The El Descanso mine implemented new projects to strengthen industrial safety and improve maintenance times for the motor graders in the mobile equipment.

The supervisor in this area, Eng. Freddy Trespalacios, together with technician and welder Julio Manga, created a new system for changing the ripper teeth on motor graders, significantly reducing the time required for the change from 4 hours to just 2 hours.

This, in turn, reduces exposure and the risk of accidents thanks to this hydraulic tool that was manufactured using surplus or unused materials at the Company. The innovation will also help decrease costs and provide an opportunity for recycling.

Blocking Switch: Invention of our Innovative Minds

An electrical system leads to improvements in safety.

The creativity of Drummond employees has produced another new system, called a Blocking Switch. It's an electrical system for blocking the rotation of the boom on the 345-C excavators.

When Supervisor Freddy Trespalacios and electrical technician Jose Ortiz



performed a preliminary analysis to the electrical system, they found that the only way to prevent the reoccurrence of incidents based on involuntary rotations of these machines by technicians was to use this novel safety technique.

Industrial safety is our lifestyle!

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DRUMMOND INFORMS YOU

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New Systems Strengthen Industrial Safety

Repair Manual for Electrical Harness Assembly on CAT Machines



Pictured: Harness with damaged cables. The manual gives instructions for repairing this type of damage.

*Construction and development of new technology facilitates the area's work, making it safer for the operators handling the machines.

Freddy Trespalacios wrote a special manual to guide technicians repairing damaged or broken wiring cable harnesses used on Caterpillar machines.

Use of the manual was implemented so that the work can be done safely, preventing accidents and making it easier to recognize potentially hazardous situations.

We Open our Doors to Neighbor Communities



It gives Drummond Ltd. great satisfaction to receive the community and local and national authorities at our facilities, because it will help build



Drummond Talent: Alexander Martínez Bello



We have a team of employees at the Company who have opportunities to strengthen and develop their talents, while maintaining financial stability at home, thanks to the support received at work.

Alexander Martinez, who works in the Truck Production Area at the El Descanso mine, is a self-taught artist. At Drummond we value the talent of our employees. This edition highlights the skills of Alexander Martinez, who shares his passion with us. He has inherited his artistic skills in several different techniques from his father, and also shares this passion with his older brother who is a painter and sculptor.



Martinez uses various media in his art: oil on canvas, pastels, watercolors, and acrylic. At the company, many people have enjoyed his caricatures.

As an artist he has been able to work on many projects, for which he has been thankful to the company from the moment he began his internship as a Heavy Equipment Maintenance Technician for Drummond.



Education

Drummond Ltd. Awarded Fourteen New Scholarships

*Including the 14 new recipients, now 89 low-income young people in Cesar and Magdalena have received scholarships.



The company is convinced that the best legacy it can give to the region's young people is education. This can be seen through its scholarship program, which has benefited 89 low-income young people with excellent academic performance from municipalities near the company's operation in the departments of Cesar and Magdalena.

The recipients officially received their certificates to higher education at special ceremonies held for the

winning students in Magdalena at the Hotel Estelar Santamar's convention center in Santa Marta on February 4th, and for the beneficiaries in Cesar at the Hotel Sicarare in Valledupar on February 5th.

"This is my opportunity to move forward. Having a Drummond scholarship helps me visualize my future, a better future for me and my family. Drummond has filled me with happiness and hope," said Daivelis Villamizar upon receiving the good news of being a beneficiary of the scholarship program.

For his part, Clayton Herrera, an electronics engineer graduated from Drummond Ltd.'s scholarship program, stated, "From the time I entered this program my life, and therefore my family's life, changed as Drummond financed my studies and gave me the opportunity to do my applied practice at the company. Now I work directly with the company. Thanks to Drummond's support I pay for my siblings' education. Thanks to this great experience we have built progress."

The company will cover the cost of university tuition for the duration of the academic program, as well as a monthly allowance for the support of each of these new awardees.

For Drummond Ltd. it is satisfying to be able to contribute tools for the education and progress of the new generations living near its projects.



Communication

Drummond Ltd. Opens its Doors to the Mayor of Becerril and his Team

Drummond Ltd. received a visit from the mayor of Becerril, Juan Francisco Rojas Hinojosa, together with his cabinet, so that they could be closely acquainted with the execution of the mining project, thus reaching out to the communities influenced by mining, which have become the helping hand of the company.

With a tour of the full facilities of Pribbenow mine in the *corregimiento*



of La Loma (Cesar), where Drummond Ltd.'s principal mining operation is located, it was possible to show how the operation works and the measures that are taken to be environmentally responsible.

"I found the company's invitation interesting. The council members and our Interior Secretary were able to clear up some of their questions about how the company works. Our idea is to carry out some projects that benefit our community together," said the Mayor.

This tour included the presence of Claudia Marcela Rivas, Administrative Manager; Armando Calvano, Director of Forest Compensation; Amilcar Valencia, Environmental Manager and Alfredo Araujo, Community Relations Manager, who explained the commitment to each of the areas and departments that form the structure of the mining operation.

"The visit to Drummond was very important as we gained knowledge about the social investments that they make in the producing municipalities. I was also very interested in the subjects of environmental compensation, and of education and health for each of the inhabitants currently living in these coal producing municipalities," said Miller José Vargas Tovar, member of the Becerril municipal council.

Drummond once again showed its commitment to the various municipalities of the mining corridor through joint work with their governments. Drummond's presence in the region is a synonym of quality, opportunity and well-being for the communities near its operation.